DOCUMENT RESUME

ED 106 183 SO 008 304

AUTHOR Lawton, Stephen B.
TITLE Political Values in Educational Finance: A Comparative Study of Canada and the United States.
PUB DATE 75
NOTE 20p.; Paper presented at the Annual Meeting of the American Educational Research Association (Washington, D.C., April 1975)

EDRS PRICE MF-$0.76 HC-$1.58 PLUS POSTAGE
DESCRIPTORS American History; Capitalism; *Comparative Education; *Educational Finance; *Educational History; *Equal Education; Equalization Aid; Futures (of Society); Individual Power; *Political Influences; Power Structure; Socialism; Social Systems; Social Values; Social Welfare
IDENTIFIERS *Canada

ABSTRACT

Equality of educational opportunity is a social goal in both the United States and Canada; yet, the nations differ considerably in their approaches and progress toward this objective. Canada appears to have achieved greater equality of condition vis-a-vis education than has the United States, judged by variation in expenditure per student among school boards. In Canada, federal and local power in education is less, but provincial authority is greater, than in the United States. The greater provincial authority provides a more wholistic base for decision making. Louis Hartz's political theory, which emphasizes the varying roles of liberal traditions and values, provides an explanation for these national differences. While both English-Canada and the United States are essentially liberal fragments of European society, the historical point at which they were severed from Europe has influenced the political philosophies that predominate in the societies. In the United States, liberalism takes the form of equality of opportunity for its citizens; in English-Canada, of equal conditions for its citizens. Because of this difference between a wholistic view for Canada and an individualistic view for the United States, responses to social problems have been different. For example, while states attempt to bring low-expenditure districts up to a state median without raising the median for balancing funds among jurisdictions, Ontario has put a ceiling on educational expenditure and is achieving a low variation in expenditure through provincial-level control. (Author/JH)

ED106183

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
NATIONAL INSTITUTE OF EDUCATION
THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

POLITICAL VALUES IN EDUCATIONAL FINANCE: A COMPARATIVE STUDY OF CANADA AND THE UNITED STATES [1]

Stephen B. Lawton [2]

The Ontario Institute for Studies in Education

Equality of educational opportunity is a slogan used as much by educators and politicians in Canada as in the United States. Yet, a comparison of the systems of educational finance in the two countries suggests that there is far greater equality of condition vis-à-vis education in Canada than in the United States. One does not find, for example, the range of expenditures per pupil in a province like Ontario as one does in the state of California. What explanation can account for the differences in the way Canadian provinces have interpreted equality of education as compared with states in the U.S.? Is it a question of better technique in developing formulas for equalization grants, or is it rooted in the basic political values of the peoples of the two nations? It is the thesis of this paper that the latter interpretation is correct; that Canadians, and in particular English-Canadians, place greater emphasis on society as a whole than do Americans, who tend to view the individual as preeminent, and that these differences in values explain the greater equality of expenditure per pupil found in

SP 008 304

---

[1] Paper presented at the convention of the American Educational Research Association, March 30 to April 3, 1975, Washington, D.C.

[2] The author wishes to thank Arlene Wortsman for referring him to the writings of Louis Hartz and Gad Horowitz.

Canadian provinces.

The Hartzian Approach

Louis Hartz, in The Liberal Tradition in America (1955) and The Founding of New Societies (1964), has proposed an explanation to account for the differences in the political values and ideologies found among the nations that have developed from European colonial empires. He views these "new societies" as fragments of the European whole, fragments "struck off in the course of the revolution which brough the West into the modern world (1964, p. 3)." The key to the political traditions of a given fragment, whether it be French-Canada, Australia, or whatever, is the set of political theories and beliefs in ascendency in Europe at the "point of departure" of the new society.

Chronologically, the political spectrum in Europe developed from Feudalism or Toryism, to Whiggery and Liberalism in the 18th century, to Socialism in the 19th century. Hence, a society such as French-Canada, created at the end of the feudal era in Europe, embodies feudal values and ideologies, whereas Australia, settled principally in the late 19th century, is embued with socialistic beliefs. In the (chronological) middle of these two extremes are both English-Canada and the United States, both of which were "struck off" from England and Europe at the height of Liberalism; hence, both are basically liberal societies though, as we shall see, English-Canada maintains a trace of Toryism and Socialism not found in the United States due to its own unique history (Horowitz, 1966). While these traces of other values are small when English-Canada is compared with fragments such as French-Canada and Australia, they are extremely important when contrasting English-Canadian and American political behaviours. In particular, they

can account for the greater "equality of condition" which one finds among boards of education in Canadian provinces, as compared to the typical situation found in the United States.

Fragment societies differ from their European sources in several important ways. Most fundamental of these differences is their lack of a complete spectrum of political ideologies, a deficiency which results in a loss of both their "past" and their "future." The United States, ideologically separated from the feudal past of Europe, can neither recall that past to justify political decisions nor turn to the socialism in Europe which developed as a response to the excesses of liberalism (and in particular laissez-faire capitalism). Of course, the socialistic response was far more "necessary" in Europe than in the United States since Europe had never been as fully liberated from the rigid class system imposed by feudalism.

A second characteristic normally found in fragment societies is the metamorphose of the principal political ideology into a nationalistic, secular religion. In Europe, neither Tory elitism nor radical socialism are heretical--as both are in the United States with its belief in "Americanism" and as is the first in Australia with its legend of "mate-ship."

But in these two characteristics--the loss of past and future, and the conversion of ideology into nationalism--English-Canada differs markedly from the United States. Throughout English-Canada, Tory or socialistic views are acceptable, if not wholeheartedly endorsed. Canada has never experienced the messianic drive of a Wilson to "make the world safe for [liberal] democracy," nor has it experienced the political witch-hunts

of a McCarthy (Hartz, 1964, pp. 118, 119). The presence of a broader political ideological spectrum in English-Canada--a presence which has an important input on the meaning of "educational equality"--can be accounted for by two historical factors related to the manner in which that society was "struck off" from Europe.

Until 1776, both the thirteen colonies in what is today the United States and the colony of Nova Scotia in today's Canada were societies cast from essentially the same mold. All possessed a liberal orientation: personal liberty--in religion, in business, and in property--were highly valued. Colonial legislatures were active in all, and the Crown was viewed generally with suspicion. Other parts of Canada, such as today's Ontario (then part of Québec) did not yet have a separate existence and were managed by the major trading companies (The Hudson's Bay Company or the North-West Company) or by a governor appointed by the Crown. Nevertheless, it is probably safe to say that most English-Canadians of that era possessed essentially the same political values to be found in the Thirteen Colonies. But with the revolution which created the United States, a second emigration took place to Canada: that of Loyalists to the Crown, who rejected republicanism for continued existence in a monarchy. Most chose to reside in Nova Scotia--which had remained loyal to the Crown because of circumstances of geography and the presence of a substantial British garrison--or in parts of Québec west of the Ottawa River. Subsequently, Nova Scotia was divided into the provinces of New Brunswick and Prince Edward Island, and western Québec became Upper Canada and later Ontario.

The total number of Loyalists who emigrated was quite small,

but so was Canada's population; hence, their presence acted as a conservative force in Canada's political development. Their political values, while still basically liberal, possessed the touch of Tory still present today. That is, their preference for the monarchy represented a suspicion of popular democracy, a confidence in leadership of elites chosen more by tradition and right than popularity. The preference also suggests greater acceptance of the corporate nature of society with the common good being valued somewhat more highly than individual rights, which stand preeminent in more pure liberal societies such as the United States.

Respect for the common good, for society as a whole as opposed to individuals, was reinforced later in Canada's history with the immigration of hundreds of thousands of Irish, Scottish, and English settlers during the middle part of the 19th century, at a time when liberal values had already passed their zenith and socialistic ideals were gaining acceptance. Similar or greater numbers immigrated to the United States, but in English-Canada, the immigrants doubled or tripled the existing population (Horowitz, p. 14). To be sure, these immigrants were escaping Europe to find more hospitable environs, and were no doubt strongly influenced by the liberal and frontier values in both Canada and the United States. But their predominance in Canada apparently added a socialistic position to the ideological spectrum which, while rejecting for egalitarianism the elitism and preference for a hierarchical social structure held by Tories, also recognized as valid the corporate, collectivistic view of society in a manner which has never been accepted in the United States.

The differences in political values between the United States and English-Canada are admirably illustrated by comparison of the purposes for the two nations: the Declaration of Independence promises, "life, liberty and the pursuit of happiness," whereas the British North America Act of 1867 (the Canadian "constitution") promises, "peace, order and good government (Horowitz, p. 20)." The individualism inherent in the American philosophy is obvious, as is the emphasis on the common good in Canadian philosophy. This contrast in values is also obvious today in other types of behaviour, both of the people and their governments. For example, the murder rate for Canada is one-tenth of that in the United States ("Get Rid of Guns..., 1975). In international affairs, the United States supplies arms to Greece and Turkey, to Israel and Jordan. Canada mans the unarmed United Nations patrols which separate these two pairs of enemies.

In summary, both English-Canada and the United States are essentially liberal fragments of European society. Protection of the rights and freedoms of individuals are of fundamental importance in both nations. But in English-Canada, liberalism must contend with certain touches of toryism, with its hierarchical, wholistic view of society, and of socialism, with its egalitarian, wholistic view of society. As a result, the common good receives somewhat more formal attention in Canada than in the United States. In Hartzian terms, Canada possesses a piece of its political "past" and "future" which the United States does not, and in the United States liberalism has flourished and unfolded as it has not in Canada. But, while Canadian politicians can appeal to the common cause, American politicians,

restrained by liberal philosophy, cannot do so. Instead they are forced to appeal to pragmatism and problem-solving, as Franklin Roosevelt did during the Depression, to justify decisions which serve the common good--decisions which in indeological terms are socialistic.

Educational Governance and Finance

In outline, the overall systems of educational governance and finance in Canada and the United States are strikingly similar. The federal governments in both nations play a relatively minor role, though for opposite reasons. The British North America Act (BNA) gave the provinces responsibility for education and a number of other matters, and left remaining powers to the federal government. In contrast, the Constitution of the United States makes no mention of education, but leaves it and remaining powers to the individual states. Hence in Canada the provinces, and in the United States the states, are responsible for education. Further, all provinces and all but one state (Hawaii) have chosen decentralized education by creating local school boards with elected or appointed trustees. But here the similarity between the nations ends, for the Canadian provincial governments have retained far greater authority vis-à-vis local boards than is generally true for state governments in the United States. In particular, they have responded to the need for equalization aid to the local boards in a more radical manner than have their counterparts in the United States.

The relatively greater centralization of the authority over education in provincial as opposed to the state governments can be seen as an expression of the corporate view of society common to both toryism and socialism, yet the basic act of decentralizing the educational

function at all is proof of the basic liberal nature of the society. The Tory, however, cannot put complete faith in the people to make the best judgment in the interests of the whole society. This is clear in Ontario, for example, where curriculum guidelines for all subjects and levels are prepared in the central ministry; where the chief executive officer appointed in a board must have the minister's approval, etc. In contrast, it is at the local level that the American states place their greatest faith. While some in the United States, such as Lieberman (1960) believe "local control of education has clearly outlived its usefulness...(p. 34)," the opinion of Campbell, Cunningham and McPhee (1965) is probably more representative: "At the moment there is little evidence that our political system produces more rational, or better decisions about education at the state or federal level than at the local level. Granted that the effects of a good state decision are pervasive, it is also true that the repercussions of a bad state decision are far-reaching (p. 106)." The quotation they select from Dewey (1957) is also telling of the American view of society which supports a locus of decision-making as near to the grass-roots as possible:

> It is not that there is no public, no large body of persons having a common interest in the consequences of social transactions. There is too much public, a public too diffused and scattered and too intricate in composition (p. 137).

Regardless of the degree of centralization of power, a common problem is faced by local boards of education which depend on local revenues wherever they are located: vastly different financial

resources. Rideout (1974, p. 4) notes that in Ontario in the late 1950's, the ratio in assessed valuation per student for elementary boards was 1 : 1100 . Morphet, Johns, and Reller (1967) note similar conditions in the United States, as well as the potential benefits of reorganization: "Through reorganization alone the range in ability of districts in several states has been reduced from more than 100-to-1 , to 10- or 20-to-1 (p. 504)."

The extent of variation in financial resources among local boards is, at least potentially, under the control of both state and provincial governments, as suggested above. Inequality cannot be eliminated entirely by board consolidation, but it can be reduced. Many states and provinces have encouraged consolidation through bonuses to larger units. In recent years, Canadian provinces, with their greater power in the field of education, have acted more decisively:

> Prior to 1965 Ontario had over 3,000 school disticts... In 1965 the provincial legislature passed mandatory legislation making each township the basic unit of school administration for rural public elementary schools.... So successful was this reorganization that in 1968 the province took the next step and declared each county together with the city or cities included therein as a school division for the administration of public elementary and secondary education (Rideout, 1974).

After the 1969 reorganization, the ratio of assessed valuation per student was 1:21 . Similar actions have been taken in other provinces (e.g., Prince Edward Island) or are being considered (e.g., Nova Scotia). In all cases, English-Canada's Tory heritage has left

provincial governments with greater authority than is found in the American states, so that provincial decision-making in the educational sphere is feasible even on difficult matters such as a board unification. For a state to decree unification in the manner of Ontario would simply be unthinkable.

Still, the disparity in wealth among boards is so great, even in those jurisdictions where reorganization has occurred, that state and provincial authorities have been making some type of equalization grant for many years. As Garms and Kelly (1970) report, "In 1905 Ellwood Cubberly said, 'In two-thirds of the states of the Union no adequate provision is made for the maintenance of the smaller schools of the state, and usually these are maintained in a most unsatisfactory manner and at a sacrifice entirely out of proportion to the local benefits received.' The response to plead by Cubberly and others was the state foundation program...(p. 256)." Canadian provinces, too, adopted equalization programs, including Ontario which, at least in the 1960's, was on a foundation program.

Technically, Ontario's foundation program of the late 1960's was the same as that of California's at the time of the Serrano decision (Rideout, p. 2). But, with the amalgamation of boards in 1969, the province introduced a percentage equalizing form of grant with weighted students (Rideout, p. 4) similar to that proposed by Garms and Kelly (1970). With this change, it is instructive to compare the ratio of expenditures per pupil. For Ontario, the ratio was 1: 1.9 in 1970, and only 1:1.6 in 1972 after the introduction of expenditure ceilings. For 1969, California's ratio of expenditures was 1: 4.2 (Greenbaum,

1971). This magnitude of ratio is common in the United States, where they range "from about 2-to-1 in a few states up to 3- or 4- to-1 in others (Morphet, Johns and Reller, p. 503)."

The introduction of expenditure ceilings by the government of Ontario alluded to above is another example of the force of the provincial government's role in Canadian education. According to Dimensions (November 1974), the official organ of the Ontario Ministry of Education, it was a simple case of rational decision making, not political necessity, to introduce expenditure ceilings:

> Near the end of the 60's, governments everywhere became aware that the huge annual increases in education spending were threatening to bankrupt them in not too many years ....
>
> In Ontario, the ceilings were introduced in 1970 to achieve this, while at the same time preserving the achievements of the 1960's ....
>
> The ceilings are part of an overall government policy designed to reduce the burden of heavier property taxes for education. Today the government pays 60% of the total cost of elementary and secondary education throughout the province - compared with just 37% in 1960 (p.3).

One other effect of the spending ceilings, besides controlling overall expenditures, was its effect on equality of expenditures. Low spending boards in Ontario are catching up with high spending boards, as implied in the lower ratios between low and high expenditure boards stated above.

Can one imagine the government of California placing a limit on board expenditure--forbidding Beverley Hills to make any increases in education expenditure until the rest of the state caught up?

While a number of court cases filed in the United States have had the objective of forcing states to provide more equal funding for schools, the recent United States Supreme Court decision in Rodriquez v. San Antonio Independent Schools leaves financial responsibility with the local board and not the state. Though the case can be viewed as a delay created by a "conservative" liberal court which will fall when, as time passes, reform liberals are appointed, it nevertheless reveals a basic principle that has held at least until now in the U.S.: the state does not step in to see that all children are provided an equal quality of education because such action would be seen to interfere with local and individual rights. The acts of the Ontario government reveal that there is no such inviolate principal there, nor is there in the remainder of English-Canada. "The Canadian provinces have been moving rapidly towards a system in which the province is, in effect, one unit for the purpose of school finance. In some provinces, such as New Brunswick, Prince Edward Island, and Newfoundland, full state funding is the solution adopted. In the western provinces foundation programs which cover between 85 and 90 percent of the total school board expenditures are in effect (Rideout, p. 1)."

Equality

The meaning of equality in English-Canada is very different from its meaning in the United States. In the former, equality of condition is the objective; in the latter, equality of opportunity.

This conclusion is based not only on the far greater equalization achieved in educational finance in Canadian provinces as compared to American states, but on other factors as well. All provinces have schemes for socialized medicine, extensive assistance to public transport, etc. Equality, therefore, possesses a meaning found under socialism--equality of condition--rather than under liberalism--equality of opportunity. This view is supported further by the explanatory system developed by Hartz and expanded by Horowitz, which leads us to expect this difference, in view of the relatively late date in the 19th century at which Canadian political philosophy finally congealed. One may still find, as well, remnants of the Tory, hierarchical view of society (as for example, Ontario's Grade 13 for the relative few students who continue beyond the Grade 12 diploma, or the Colleges of Applied Arts and Technologies which are two-year colleges which do not serve as transfer institutions to liberal arts colleges), but the combination of liberal and socialist forces have effectively won the day in terms of provision of equal services.

The Future

Both English-Canada and the United States are essentially liberal fragments of European society, though, following Horowitz (1965), this discussion has emphasized their dissimilarities rather than similarities (McRae, 1964) in order to develop contrasts with the United States. In both societies, of course, protection of the rights and freedoms of individuals is the fundamental objective. In English-Canada, liberalism must contend with certain touches of toryism--with its hierarchical, corporate view of society and innate conservatism--and of socialism--with

its egalitarian, corporate view of society and innate desire for innovation. Together, the touches of toryism and socialism have interacted to reinforce the tendency to view society within Canada and its provinces in an organic way--as an integral whole rather than a composite of independent, free-thinking individuals. In American society, equality has maintained much more of its liberal meaning--equality of opportunity--than its socialistic meaning--equality of condition. There, the myth of Horatio Alger remains. In Canada it never existed.

The broader political spectrum in Canada with its three viable national parties--the New Democrats (socialist), the Liberals (liberal) and Progressive Conservatives (conservative)--gives Canadian politicians more "ideals" or "beliefs" to be used in legitimizing public policy than are possessed by American politicians. Hence, in confronting the problem of fiscal equalization in education, Canadian provinces have been free to be more innovative, socially speaking, than have state governments in the United States.

Hartz believes that while fragment societies have escaped their pasts and futures, the future is now returning. That is, the United States has been able to pursue a dogmatic, liberal course in internal and external affairs, but must now contend with other, alien philosophies. Wilson and others have failed; the nations of the world have not all accepted liberal, capitalistic democracy as their model. Indeed, to many nations, socialism or some more radical, collectivistic approach to social organization appears to be a far more attractive solution--if their people are to be fed. The energy crisis, and other changes which clarify the nature of the "global village" are forcing the United States

and other liberal fragment societies to face the future they escaped by being "struck off" from Europe. The Viet Nam war, at very least, proved that alien, heretical beliefs cannot be destroyed by fire. Tolerance is necessary, a tolerance that Americans have shown for varying religious beliefs (as long as they were not based on collective social organizations), but not for varying political beliefs.

In my opinion, this reentry into the full Western political spectrum is likely to pose greater problems for the United States than for Canada, since the latter has a wider political spectrum. If the future brings a rapid decrease in standard of living, which the energy crisis and apparent realignments in the world economy suggest may occur, then the liberal, capitalistic systems in both nations may fail to maintain a minimal acceptable standard of living for their weakest members, as they have in the past. In such circumstances, I suspect that Canada may accept a full, socialistic state more easily than the United States, just as equality of educational finance has been more easily achieved--through legislation for the common good and without need for court battles.

The major hope in the United States appears to be the continued redefinition of equality from equality of opportunity to equality of condition. The courts have applied the latter conceptualization to fight segregation and discrimination against women. It must be redefined so that it applies in the economic sphere--to the individuals who, in spite of rights, freedoms, and opportunities, are unable to succeed. If this redefinition occurs--whether in the courts or the legislatures--then school finance probably will be one of the first

beneficiaries since agreement can be reached more readily about the needs of the young (or aged), as past experience has shown. Whether or not this redefinition of equality in the public's mind would be accompanied by a new understanding of the corporate nature of society, as evidenced in Canada, is difficult to say. Without the Tory and socialistic elements in the public philosophy, the concept is not there to develop. Experience from the New Deal and Franklin Roosevelt's other programs suggest that extensive social programs can be developed without accompanying philosophical changes. Pragmatism is an American trait, and the alleviation of extreme situations might be viewed as just that, and not the creation of a new social order.

In short, the Hartzian approach leads me to believe that Canada and the United States may, in fact, have somewhat different futures, with Canada tending more and more toward European models of socialism, and the United States struggling to adopt its liberal philosophy to meet totally new situations. In retrospect, the struggle to equalize educational services in the United States beginning with Cubberly in 1905, has been a struggle to accomplish such a task, but it has failed. The multitude of financial plans that have been developed are technical devices invented to avoid facing the real problem, which is one of political philosophy and social values. The ongoing finance studies in the United States are pointless. Their common objective appears to have been to bring low-expenditure districts at least up to the state median (a goal suggested in Morphet, Johns, and Reller [1969, p. 503]) but without appearing to raise the median or take any funds from one jurisdiction for use in another. And such an objective must fail, of

course, because the only way to move all those below the median up to the median is to move all those above the median down to the median as well. It is this fact which the politicians have tried to avoid. Pragmatism has its limits; no liberal philosophy could legitmize such a step, however disguised. I suspect, then, that in dealing with all social problems, including education, the United States may find dealing with the future far more stressful than will English-Canada.

REFERENCES

Armstrong, A., Lawton, S. and Rideout, E. B. "How Well Does The Grant System Work?" Ontario Education. 6, (3), May/June 1974, pp. 2-7.

Campbell, R. F., Cunningham, L. L., and McPhee, R. F. The Organization and Control of American Schools. Columbus, Ohio: Charles E. Merrill, 1965.

Dewey, John. The Public and Its Problems. Denver: Alan Swallow, 1957.

Garms, Walter I. and Kelly, James A., "Financing Urban Education," in Lutz, Frank W. Toward Improved Urban Education. Worthington, Ohio: Charles A. Jones, 1970.

"Get Rid of Guns, Famed Anthropologist [Margaret Mead] Urges," Calgary Herald. Wednesday, January 15, 1975, p. 71.

Greenbaum, W. N. "Serrano v. Priest: Implications for Educational Equality," Harvard Educational Review. 41, (4), November 1971, pp. 501-534.

Hartz, L. The Founding of New Societies. New York: Harcourt, Brace and World, 1964.

Hartz, L. The Liberal Tradition in America. New York: Harcourt, Brace, Jovanovich, 1962.

Horowitz, Gad. Canadian Labour in Politics. Toronto: University of Toronto Press, 1968.

McRae, K. D. "The Structure of Canadian History," in Hartz, L. The Founding of New Societies. New York: Harcourt, Brace and World, 1964, pp. 219-274.

Morphet, E. L., Johns, R. L., and Reller, T. L. Educational Organization and Administration. (2nd ed.) Englewoods Cliffs, New Jersey: Prentice-Hall, 1967.

Ontario Ministry of Education, "Background: Spending Ceilings: What? Why? When? Where? How?" Ontario Education Dimensions. 9, (2), November 1974, p. 3.

Rideout, E. Brock, "Equality of Educational Opportunity Versus Local Autonomy - The Dilemma Facing North American Education - The Ontario Experience." Paper presented at the 17th Annual National School Finance Congerence; Orlando, Florida; March 8, 1974.